



The President's Daily Brief

May 18, 1974

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

May 18, 1974

PRINCIPAL DEVELOPMENTS

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Israeli aircraft yesterday attacked Palestinian guerrilla targets in Lebanon near Mount Hermon and in an area south of Tyre. (Page 2)

French officials are preparing for possible disorders following Sunday's election, which is expected to be very close. (Page 3)

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Negotiations for a cease-fire between Lisbon and the Portuguese Guinea insurgents will begin in London on May 25. (Page 4)

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[] Soviets []
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The Lao Communists may try to use some allied prisoners as bargaining chips to exert pressure on the US and Thailand. (Page 6)

At Annex, an interagency memo on the Arabian Peninsula - Persian Gulf concludes that recent events have in some ways enhanced the stability of the area.

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INDIA

India carried out an underground nuclear test this morning. Foreign Secretary Kewal Singh told the US Chargé in New Delhi that the test was of an implosion device, detonated at a depth of over 100 meters in the Rajasthan desert in western India.

India has possessed for some time the technical ability to undertake a nuclear test

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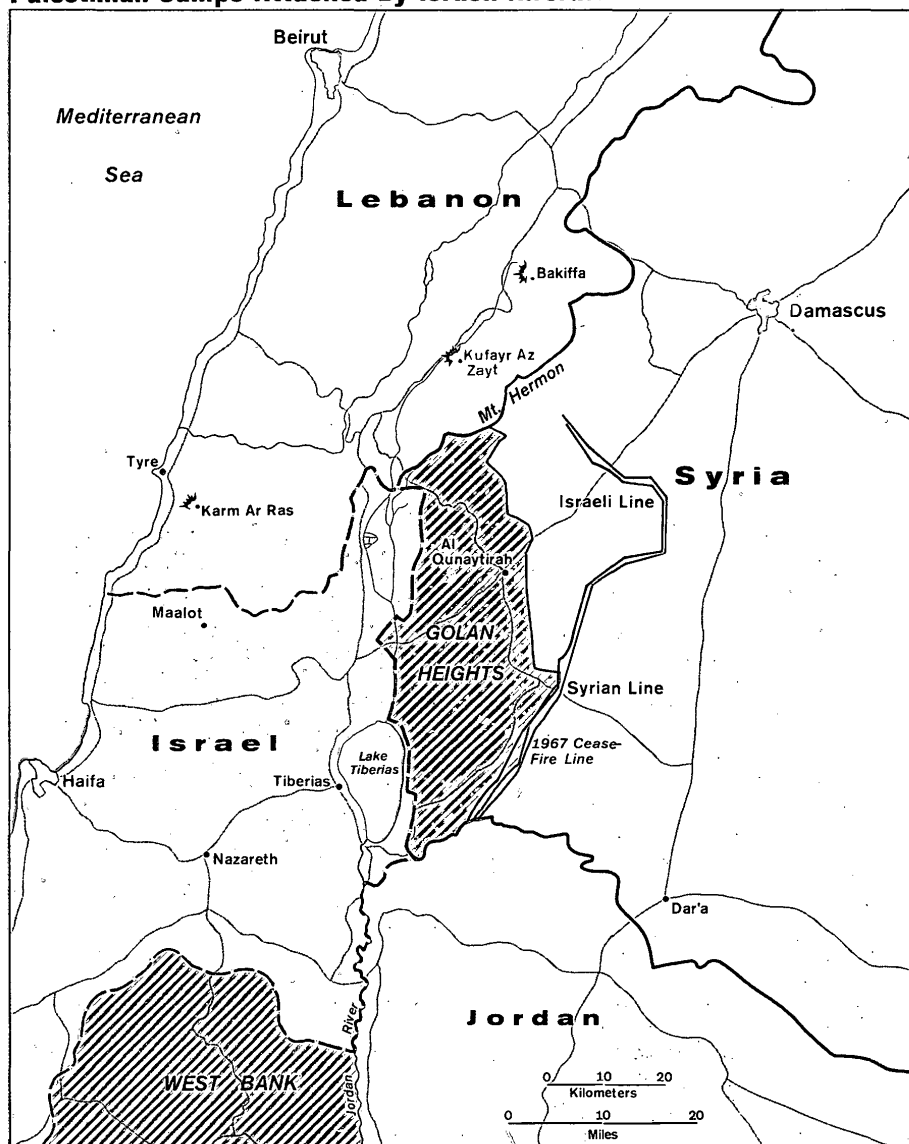
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Singh insisted today that the test was for peaceful purposes. He said it was carried out to keep India abreast of technology on uses of nuclear energy for such purposes as mining and earth moving.

India has not signed the nuclear non-proliferation treaty, claiming that it discriminates against non-nuclear powers and that they want to keep the option open to conduct peaceful explosions. The government is expected to announce the test publicly later today.

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Palestinian Camps Attacked By Israeli Aircraft



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ISRAEL-LEBANON-SYRIA

Israeli aircraft yesterday attacked Palestinian guerrilla targets in Lebanon near Mount Hermon and in an area south of Tyre. Military authorities in Damascus claim that Syrian fighters intercepted Israeli aircraft carrying out bombing missions in Lebanon and shot down one of them.

[redacted] reports now available suggest that Thursday's air strikes in Lebanon were conducted primarily against fedayeen military targets or headquarters offices. There is no evidence to indicate that Israeli planes systematically attempted to attack civilian installations.

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Lebanon lodged a complaint with the UN yesterday but has decided not to request a meeting of the Security Council, so as not to create additional complications for Secretary Kissinger [redacted]

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Fighting on the Syrian front was confined to exchanges of tank, artillery, and mortar fire. [redacted]

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FRANCE

French officials are preparing for the possibility of internal disorders following what is expected to be a very close presidential election on Sunday. The latest public opinion poll shows Giscard and Mitterrand tied, with about 12 percent undecided.

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Interim President Poher is particularly concerned over the possibility of leftist demonstrations if a slim Mitterrand lead is overturned by late returns from the overseas territories. There is a history of voting irregularities in the overseas departments and territories, which voted almost two to one for the right in the first round on May 5. Poher is concerned not only that electoral fraud might occur abroad, but also that honest returns that give Giscard a slim victory could send leftists into the streets.

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PORTUGAL - PORTUGUESE GUINEA

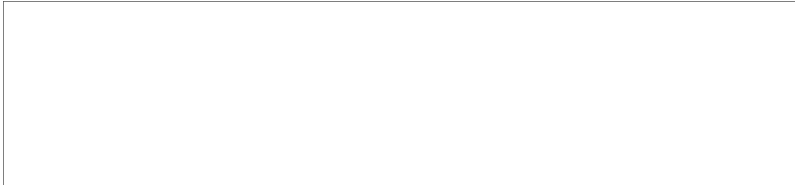
Negotiations for a cease-fire between Lisbon and the insurgent movement in Portuguese Guinea will begin in London on May 25, according to an announcement by the rebels' radio. The announcement is a major breakthrough in the lengthy military stalemate in the territory, and the chances for a cease-fire appear good.

The announcement follows by less than a week a rebel offer to negotiate on the condition that Lisbon recognize the "right of independence" for the African territories. A statement by Portuguese Foreign Minister Soares on May 16 that Lisbon would "loyally accept all the consequences" of self-determination in Portuguese Guinea--implying acceptance of possible independence--apparently was enough to meet that condition.

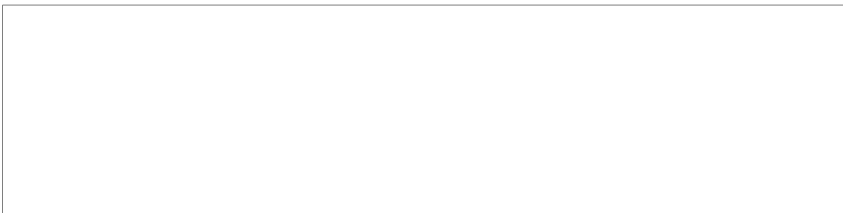
The two sides still have to work out the details of Portuguese Guinea's future relationship with Lisbon. Lisbon probably would not be averse to giving up the territory because its political and economic interests there are negligible. The manner in which this is done is important to Portugal, however, because it could set a precedent for Lisbon's relations with Angola and Mozambique where the Portuguese have profitable interests.

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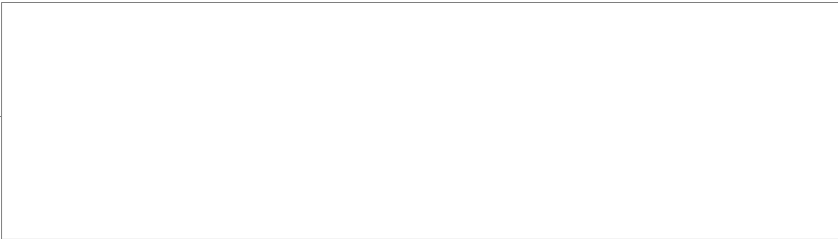
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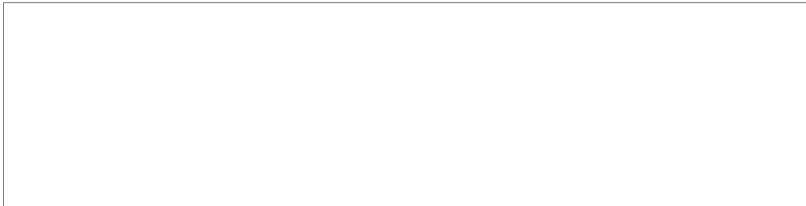
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LAOS

The Lao Communists may try to use some allied prisoners as bargaining chips to exert pressure on the US and Thailand. [REDACTED] 25X1

[REDACTED] 25X1

[REDACTED] the Communists will continue to hold captive beyond the June 4 prisoner exchange deadline an unspecified number of US and Thai prisoners, particularly those captured after the February 1973 cease-fire agreement. 25X1

[REDACTED] implies that the Communists plan to link the release of these prisoners to the cessation of US aerial reconnaissance flights over Lao-tian territory and to the dissolution of "special forces" and bases. [REDACTED] considerable apprehension that the US and Thailand do not intend to comply with the provisions of the Lao Accords. 25X1

These fears probably stem from the Communists' recognition of their own violations of the Accords. 25X1

[REDACTED] 25X1

Heavy stress is placed on the cessation of over-flights along the eastern trail network [REDACTED] 25X1

[REDACTED] 25X1

[REDACTED] personnel captured after the cease-fire agreement are proof of continued US and Thai "aggression" against Laos, and that this argument might be used to counter anticipated allied demands for the withdrawal of all North Vietnamese troops. 25X1

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ARABIAN PENINSULA - PERSIAN GULF

An interagency working group examining the general security situation in the Arabian Peninsula - Persian Gulf area concludes that in some ways recent events have enhanced the stability of the area:

--King Faysal has achieved unprecedented prestige throughout the Arab world by his actions during and after the October war. Thus he is less susceptible to attack from Arab radicals, and his hand in playing a leading role in the stability of the Peninsula and the Gulf area has been strengthened.

--Vastly greater oil revenue, if used effectively, might hold down the discontent that has provided a fertile ground for radical movements elsewhere; it will also pay for additional modern arms, and perhaps even buy off potentially hostile neighbors.

Overall there are strong pressures for change--but within a traditional social framework. Certain developments would be of little consequence to the US. Replacement of one ruler of a small state with another, or even the replacement of the conservative regime in one of the lesser states with one of radical orientation, would not necessarily interfere with US interests.

But there is some cause for concern:

--Rivalries and frictions among Gulf and Peninsula countries are about as intense as ever. Especially troublesome are those between radical and conservative regimes; they give rise to perennial strains such as those between Iraq and Iran, between Iraq and Kuwait, between the two Yemens, and between South Yemen and Saudi Arabia. They keep alive the protracted rebellion in the Dhofar province of Oman.

--As the Gulf states achieve higher levels of development spurred on by increased oil revenues, the political sophistication of the area will also increase, making it a more fertile ground for radical ideologies.

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--An upheaval led by revolutionary forces in the larger oil-producing states is unlikely at this point, but if it occurred it would be difficult or impossible to reverse and would threaten the US position in the Gulf as a whole.

--Turmoil in one of the lesser states might lead to Iranian intervention, which in turn could set the Arabs, including Saudi Arabia, against Iran. We do not think this will happen, but if it did it could badly erode US relations with both Saudi Arabia and Iran. The relationship between the Saudis and Iranians is good, and although it is not likely ever to become close, most leaders on both sides recognize the importance of avoiding any real deterioration.

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